

METZ LEWIS LLC

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NOV 30 2010

November 29, 2010

VIA FEDERAL EXPRESS

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Section Chief
Surface Transportation Board
Office of Proceedings
395 E Street, SW
Washington, DC 20024

DEC 02 '10 -11 15 AM

SURFACE TRANSPORTATION BOARD



ATTORNEYS AT LAW

Re: Security Agreement by and among Kasgro Rail Corp.,
Kasgro Leasing, LLC and First National Bank of Pennsylvania

Dear Section Chief:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two certified copies of the Security Agreement, a primary document, effective as of November 23, 2010 by and among Kasgro Rail Corp. and Kasgro Leasing, LLC, each a Debtor and collectively the Debtors, and First National Bank of Pennsylvania, Secured Party.

The Security Agreement grants to Secured Party a security interest in, among other things, all of the Debtors' railcars described on Exhibit "A" to the Security Agreement. Included in the property covered by the aforesaid Security Agreement are railroad cars and other rolling stock intended for use related to interstate commerce, owned by the Debtors at the date of the Security Agreement or thereafter acquired by the Debtors.

The names and addresses of the parties to the Security Agreement are:

Secured Party:

First National Bank of Pennsylvania
c/o FNB Business Credit
100 Federal Street
Pittsburgh, PA 15212

Debtors:

Kasgro Rail Corp.
Kasgro Leasing, LLC
121 Rundle Road
New Castle, PA 16102

DAWN K. SWEENEY
PARALEGAL

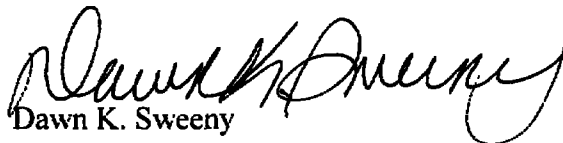
A short summary of the document to appear in the Index is:

Security Agreement, a primary document, effective as of November 23, 2010 by and among Kasgro Rail Corp. and Kasgro Leasing, LLC, each a Debtor and collectively the Debtors and First National Bank of Pennsylvania, Secured Party covering, among other things, all of the Debtors' railcars described on Exhibit "A" to the Security Agreement. Included in the property covered by the aforesaid Security Agreement are railroad cars and other rolling stock intended for use related to interstate commerce, owned by the Debtors at the date of the Security Agreement or thereafter acquired by the Debtors.

A check in the amount of \$41.00 has been enclosed to provide for the recordation fee. Upon recording and indexing, please return a stamped copy of the recorded Security Agreement to me in the enclosed self addressed stamped envelope at your earliest opportunity.

Please do not hesitate to contact me if you have any questions or need anything further to record the Security Agreement.

Very truly yours,



Dawn K. Sweeny

/dks

Enclosure

cc: David S. Horvitz, Esq.

DEC 02 '10 -11 15 AM

NOV 30 2010

SURFACE TRANSPORTATION BOARD

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement"), made effective as of the 23rd day of November, 2010, by and among KASGRO RAIL CORP., a Pennsylvania corporation ("Kasgro Rail"), and KASGRO LEASING LLC, a Pennsylvania limited liability company ("Kasgro Leasing") (Kasgro Rail and Kasgro Leasing are each a "Debtor" and collectively the "Debtors"), and FIRST NATIONAL BANK OF PENNSYLVANIA (the "Secured Party").

RECITALS:

WHEREAS, the Debtors have requested the Secured Party to enter into a certain Credit Agreement of even date herewith (as the same may be further amended, modified or supplemented from time to time the "Credit Agreement") pursuant to which the Secured Party will make financing available to the Debtors from time to time; and

WHEREAS, as an inducement to the Secured Party to enter into the Credit Agreement, and as a condition thereto, the Debtors have agreed to enter into this Agreement to grant the Secured Party the security interests contemplated herein as security for the prompt and full payment and performance of, *inter alia*, the indebtedness and obligations of the Debtors under the Credit Agreement and the other Loan Documents; and

WHEREAS, it is a condition precedent to the Secured Party entering into the Credit Agreement and making the facilities available thereunder to the Debtors that the Debtors grant the Secured Party the security interests contemplated in this Agreement; and

WHEREAS, the Secured Party is not willing to enter into the Credit Agreement unless and until the Debtors enter into this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and intending to be legally bound hereby, the Debtors and the Secured Party covenant and agree as follows:

Section 1. Definitions and Interpretations.

(a) Unless otherwise specified in this Agreement, the provisions of Part II of Schedule One to the Credit Agreement shall apply to the interpretation of the words and terms used in this Agreement.

(b) All terms defined in the Applicable UCC and used herein shall have the same definitions herein as specified in the Applicable UCC, provided, if a term is defined in Article 9 of the Applicable UCC differently than in another Article of the Applicable UCC, the term has the meaning specified in Article 9. In addition, the following capitalized words and terms shall have the following meanings (such meanings being equally applicable to both the singular and plural forms of the terms defined) and all other capitalized terms used herein shall have the meaning ascribed thereto in the Credit Agreement unless otherwise defined in the elsewhere in this Agreement (including the preamble and recitals hereto):

"Account" shall have the meaning given to the term "account" in Article 9 of the Applicable UCC.

"Account Debtor" means the Person who is obligated on or under an Account.

"Applicable UCC" means the Uniform Commercial Code as in effect in the Commonwealth of Pennsylvania on the date of this Agreement and as amended from time to time hereafter, and any new version thereof or new legislation adopted to replace the provisions thereof; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of the Secured Party's security interest in any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the Commonwealth of Pennsylvania, the term "Applicable UCC" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

"Blocked Account" shall have the meaning set forth in Section 5.

"Cash" means all money, cash or cash equivalents now owned or hereafter acquired by the Debtors.

"Chattel Paper" means all "chattel paper" as such term is defined in Article 9 of the Applicable UCC.

"Collections" means all payments to the Debtors from Account Debtors in respect of Accounts.

"Commercial Tort Claims" means all "commercial tort claims" as such term is defined in Article 9 of the Applicable UCC.

"Contracts" means all contracts, undertakings, or other agreements (other than rights evidenced by Chattel Paper, Documents or Instruments) in or under which the Debtors may now or hereafter have any right, title or interest, including, without limitation, with respect to an Account and any agreement relating to the terms of payment or the terms of such Account.

"Copyrights" means all of the following now owned or hereafter acquired by the Debtors: (i) all copyrights, registrations and applications therefor, (ii) all renewals and extensions thereof, (iii) all income, royalties, damages and payments now and hereafter due or payable or both with respect thereto, including, without limitation, damages and payments for past or future infringements or misappropriations thereof, (iv) all rights to sue for past, present and future infringements or misappropriations thereof, and (v) all other rights corresponding thereto throughout the world.

"Default" shall have the meaning set forth in Section 7.

"Deposit Account" means a "deposit account" as such term is defined in Article 9 of the Applicable UCC.

"Documents" means all "documents" as such term is defined in Article 9 of the Applicable UCC.

"Equipment" means all "equipment" as such term is defined in Article 9 of the Applicable UCC. Equipment shall specifically include within the meaning thereof all motor vehicles, tractors, trailers, railcars or other rolling stock covered by a federal or state motor vehicle title or other title document, including, without limitation, all railcars listed and described on Exhibit "A" attached hereto.

"Fixtures" means all "fixtures" as such term is defined in Article 9 of the Applicable UCC.

"General Intangibles" means all "general intangibles" as such term is defined in Article 9 of the Applicable UCC.

"Goods" means all "goods" as defined in Article 9 of the Applicable UCC.

"Instruments" means all "instruments" as such term is defined in Article 9 of the Applicable UCC.

"Inventory" means all "inventory" as such term is defined in Article 9 of the Applicable UCC.

"Investment Property" means all "investment property" as such term is defined in Article 9 of the Applicable UCC.

"Letter-of-Credit Rights" means "letter-of-credit rights" as such term is defined in Article 9 of the Applicable UCC.

"Lockbox" shall have the meaning set forth in Section 5(b).

"Patents" means all of the following now or hereafter owned by the Debtors: (i) all patents and patent applications, (ii) all inventions and improvements described and claimed therein, (iii) all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (iv) all income, royalties, damages and payments now and hereafter due and/or payable to the Debtors with respect thereto, including, without limitation, damages and payments for past or future infringements or misappropriations thereof, (v) all rights to sue for past, present and future infringements or misappropriations thereof and (vi) all other rights corresponding thereto throughout the world.

"Proceeds" means all "proceeds" as such term is defined in Article 9 of the Applicable UCC.

"Remittances" means all payments to the Debtors (other than Collections), including, without limitation, cash payments in respect of sales of Inventory, payments in respect of other dispositions of Collateral (other than Inventory sold in the ordinary course of business), insurance proceeds and tax refunds.

"Secured Obligations" means all of the following:

(i) Any and all present and future Obligations, including, without limitation, those of the Debtors arising under or relating to the Credit Agreement, this Agreement and the other Collateral Documents, any SWAP Agreements, all L/C-Related Documents and all other Loan Documents, or any one or more of them, whether due or to become due, matured or unmatured, liquidated or unliquidated, or contingent or noncontingent, including those of performance as well as those related to payment, including payment of principal, interest, fees, Reimbursable Costs and Expenses, L/C Obligations and other reimbursement obligations with respect to Letters of Credit, and all other fees, costs, charges and expenses due from the Debtors to the Secured Party,

(ii) all other obligations, liabilities and Indebtedness of the Debtors to the Secured Party or its Affiliates, of every kind, nature and description, direct or indirect, secured or unsecured, joint and several, absolute or contingent, due or to become due, now existing or hereafter arising, regardless of how they arise or were acquired or by what agreement or instrument, including, without limitation, all obligations, liabilities, indemnities and Indebtedness from time to time owing to the Secured Party or any of its

Affiliates by the Debtors in respect of any Banking Services Obligations, operating or deposit account, or other banking product from time to time made available to the Debtors by the Secured Party or its Affiliates.

(iii) all fees, costs and expenses (including reasonable counsel fees) of the Secured Party incurred in perfecting, protecting and enforcing the Secured Party's rights (A) under the Credit Agreement, this Agreement, the Notes, the other Collateral Documents, all other Loan Documents and any SWAP Agreements, and (B) in and to the Collateral, and

(iv) all amounts that would become due from the Debtors to the Secured Party but for the operation of the automatic stay provisions of §362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a).

"Software" means all "software" as such term is defined in Article 9 of the Applicable UCC.

"Supporting Obligations" means all "supporting obligations" as such term is defined in Article 9 of the Applicable UCC.

"Trademarks" means all of the following, now owned or hereafter acquired by the Debtors: (i) all trademarks (including service marks and trade names, whether registered or at common law), registrations and applications therefor, and the entire product lines and goodwill of the Debtors' business connected therewith and symbolized thereby, (ii) all renewals thereof, (iii) all income, royalties, damages and payments now and hereafter due or payable or both with respect thereto, including, without limitation, damages and payments for past or future infringements or misappropriations thereof, (iv) all rights to sue for past, present and future infringements or misappropriations thereof and (v) all other rights corresponding thereto throughout the world.

"Trade Secrets" means all of the following, now owned or hereafter acquired by the Debtors: (i) trade secrets, (ii) income, royalties, damages and payments now and hereafter due and/or payable to the Debtors with respect to trade secrets, including, without limitation, damages and payments for past or future infringements or misappropriations thereof, (iii) rights to sue for past, present and future infringements or misappropriations of trade secrets, and (iv) all other rights corresponding to trade secrets throughout the world.

Section 2. Security Interest; Authorization to File Financing Statements. (a) To secure the payment and performance in full of all of the Secured Obligations, each Debtor hereby pledges and collaterally assigns to the Secured Party, and grants to the Secured Party a security interest in, all of the following items and types of properties of such Debtor, wherever located, whether now owned or hereafter acquired or arising, and whether owned or consigned by or to, or leased from or to, such Debtor, and all of such Debtor's right, title and interest therein, thereto and thereunder (collectively, the "Collateral");

(i) All Accounts, Chattel Paper, Documents, Instruments and Contracts, including, without limitation all leases and other rental agreements to which any rolling stock or other Equipment may be subject from time to time;

(ii) All Inventory, Equipment, Fixtures and other Goods of any kind whatsoever;

(iii) All Letter of Credit Rights and Supporting Obligations;

(iv) All General Intangibles, Trademarks, Patents, Copyrights and Trade Secrets;

(v) All Cash, Deposit Accounts and Investment Property; and

(vi) All Proceeds and products of the items described above in clauses (i) through (v) of this Section 2(a), and all attachments, components, parts, equipment and accessories installed thereon or affixed thereto, together with all replacements, additions, accessions, substitutions, repairs, guaranties and securities therefor, and all documents, records, ledger sheets and files of the Debtors relating thereto.

(b) The Debtors hereby irrevocably authorize the Secured Party at any time and from time to time to file in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto that (i) indicate the Collateral as (A) all assets of the Debtors or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Applicable UCC, or (B) as being of an equal or lesser scope or with greater detail, and (ii) contain any other information required by part 5 of Article 9 of the Applicable UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including whether a Debtor is an organization, the type of organization and any organization identification number issued to a Debtor and, in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. The Debtors agree to furnish any such information to the Secured Party promptly upon request. The Debtors also ratify any like initial financing statements or amendments thereto if filed prior to the date hereof and ratify their authorization for the Secured Party to have filed in any Uniform Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof.

(c) Notwithstanding any other provision of this Agreement to the contrary, the Debtors shall remain liable to observe and perform all of the conditions to be performed and observed under each Contract, Instrument, Chattel Paper or other agreement comprising part of the Collateral (collectively, "Debtor Agreements"). The Secured Party shall have no obligation or liability under any Debtor Agreements by reason of or arising out of this Agreement or the granting of the lien and security interest thereon or the receipt of any payment relating to any Debtor Agreements pursuant hereto except to the extent resulting directly and primarily from the gross negligence or willful misconduct of the Secured Party. The Secured Party shall not be required or obligated in any manner to perform or fulfill any of the obligations of the Debtors under or pursuant to any Debtor Agreements, or to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it or the sufficiency of any performance by any party under any Debtor Agreements, or to present or file any claims, or take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

(d) The provisions of this Agreement supplement the provisions of any other Collateral Document which secures the payment or performance of any of the Secured Obligations, including, without limitation, any real estate mortgage, deed of trust or intellectual property security agreement or assignment granted by the Debtors to the Secured Party. Nothing contained in any such Collateral Document shall derogate from any of the rights or remedies of the Secured Party hereunder.

Section 3. Representations and Warranties. The Debtors represent and warrant to the Secured Party that:

(a) The Debtors are (or to the extent that this Agreement states that the Collateral is to be acquired after the date hereof, will be at the time of such acquisition) the sole owners of the Collateral. There are no Liens in the Collateral or any portion thereof, except those in favor of the Secured Party and Permitted Liens, and no financing statement, mortgage or deed of trust covering the

Collateral or any portion thereof exists or is on file in any public office except those in favor of the Secured Party and those relating to Permitted Liens.

(b) Each Debtor has delivered, or concurrently herewith will deliver, to the Secured Party a certificate signed by such Debtor and entitled "Perfection Certificate" (the "Perfection Certificate"). Each Debtor represents and warrants to the Secured Party that all information contained in the Perfection Certificate signed by it is true and correct, and each Debtor hereby acknowledges and agrees that the Secured Party and its legal counsel may fully rely upon the information contained therein as representations and warranties of such Debtor, the falsity of which may constitute a Default.

(c) Except as otherwise disclosed in the Perfection Certificates or Railcars leased by Kasgro Leasing as lessor in the ordinary course of business, the Debtors have exclusive possession and control of all of the Collateral, and the Debtors have not and will not allow any contractor, processor or supplier to have possession or control of any Inventory, Equipment or other Goods of the Debtors without prior written notice to the Secured Party and compliance with the provisions of Section 6.16(b) of the Credit Agreement except to the extent.

(d) Intentionally left blank.

(e) Neither the execution and delivery of this Agreement by the Debtors, the consummation of the transactions herein contemplated nor the fulfillment of the terms hereof will (i) result in a breach of any of the terms or provisions of, or constitute a default under, or constitute an event which, with notice or lapse of time or both will result in a breach of or constitute a default under, any agreement, indenture, mortgage, deed of trust, equipment lease, instrument or other document to which a Debtor is a party, or (ii) violate any Law, except to the extent that any such breach, default, event or violation would not reasonably be expected to have a Material Adverse Effect.

(f) None of the Collateral constitutes, or is the proceeds of, "farm products" as defined in the Applicable UCC. Except as otherwise disclosed in the Perfection Certificates, none of the Collateral is covered by a certificate of title. None of the Account Debtors or other persons obligated on any of the Collateral is a governmental authority subject to the Federal Assignment of Claims Act or like federal, state or local statute or rule in respect of such Collateral. None of the Debtors holds a Commercial Tort Claim except as indicated on the Perfection Certificates.

(g) With respect to the Debtors' Accounts: (i) all such Accounts represent bona fide sales of Inventory, or leasing of Equipment or rendering of services to Account Debtors in the ordinary course of business and are not evidenced by a judgment, Instrument or Chattel Paper; (ii) there are no material setoffs, claims or disputes existing or asserted with respect thereto and the Debtors have not made any agreement with any Account Debtor for any material extension of time for the payment thereof, any compromise or settlement for materially less than the full amount thereof, any release of any Account Debtor from material liability therefor, or any material deduction therefrom except a discount or allowance allowed by a Debtor in the ordinary course of its business for prompt payment; (iii) to the Debtors' knowledge, there are no facts, events or occurrences which in any way impair the validity or enforceability thereof or could reasonably be expected to reduce materially the amount payable thereunder; (iv) the Debtors have not received any notice of proceedings or actions which are threatened or pending against any Account Debtor which could reasonably be expected to result in any material adverse change in such Account Debtor's financial condition; (v) the Debtors have no knowledge that any Account Debtor is unable generally to pay its debts as they become due; (vi) the amounts shown on all invoices, statements and Borrowing Base Reports with respect to Accounts thereto are actually and absolutely owing to the Debtors as indicated thereon and are not in any way contingent; and (vii) to the Debtors' knowledge, all Account Debtors have the capacity to contract.

(h) With respect to the Debtors' Inventory: (i) all such Inventory is located at one of

the Debtors' locations set forth on the Perfection Certificates, and no Inventory shall at any time hereafter be stored at any other location without the Secured Party's prior written consent, except as permitted under the Credit Agreement, and if the Secured Party gives such consent, the Debtors will concurrently therewith obtain, to the extent required by the Credit Agreement, a Collateral Access Agreement for each such location, (ii) the Debtors have good and merchantable title to all such Inventory, and such Inventory is not subject to any Lien or security interest or document whatsoever except Permitted Liens, (iv) such Inventory is not subject to any licensing, patent, royalty, trademark, trade name or copyright agreements with any third parties which would require any consent of any third party upon sale or disposition of that Inventory or the payment of any monies to any third party upon such sale or other disposition, and (v) the completion of manufacture, sale or other disposition of such Inventory by the Secured Party following a Default shall not require the consent of any Person and shall not constitute a breach or default under any contract or agreement to which the Debtors are a party or to which such property is subject.

Section 4. Covenants of the Debtors. The Debtors covenant and agree to perform each of the following covenants except to the extent specifically provided for otherwise in the Credit Agreement:

(a) Further to insure the attachment, perfection and priority of, and the ability of the Secured Party to enforce, the Secured Party's security interest in the Collateral, each Debtor agrees, at the Debtors' sole cost and expense, to take the following actions:

(i) **Promissory Notes and Tangible Chattel Paper.** If such Debtor shall at any time hold or acquire any promissory notes or tangible chattel paper arising or resulting from or related to the Collateral, such Debtor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, such Debtor shall forthwith endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify, and regardless of the form of such endorsement, such Debtor hereby waives presentment, demand, notice of dishonor, protest and notice of protest and all other notices with respect thereto. After the occurrence of a Default, upon notice from the Secured Party all payments made under any such promissory notes or tangible chattel paper shall be deposited into the Collateral Account.

(ii) **Deposit Accounts.** If such Debtor shall at any time open a Deposit Account with a depository bank other than the Secured Party, such Debtor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance reasonably satisfactory to the Secured Party, either (A) cause the depository bank to agree to comply at any time with instructions from the Secured Party to such depository bank directing the disposition of funds from time to time credited to such deposit account, without further consent of such Debtor, or (B) arrange for the Secured Party to become the customer of the depository bank with respect to the deposit account, with such Debtor being permitted, only with the consent of the Secured Party, to exercise rights to withdraw funds from such deposit account. The Secured Party agrees with such Debtor that the Secured Party shall not give any such instructions or withhold any withdrawal rights from such Debtor, unless a Default has occurred and is continuing, or, after giving effect to any withdrawal not otherwise permitted by the Loan Documents, a Default would occur. The provisions of this paragraph shall not apply to (x) those accounts referred to in Section 5 and any other Deposit Account for which a Debtor, the depository bank and the Secured Party have entered into a cash collateral agreement specially negotiated among such Debtor, the depository bank and the Secured Party for the specific purpose set forth therein, (y) Deposit Accounts for which the Secured Party is the depository and (z) Deposit Accounts specially and exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of such Debtor's salaried employees.

(iii) Collateral in the Possession of a Bailee. If any Inventory is at any time in the possession of a bailee, such Debtor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, such Debtor shall promptly use its reasonable efforts to obtain an acknowledgement from the bailee, in form and substance reasonably satisfactory to the Secured Party, that the bailee holds such Collateral for the benefit of the Secured Party and shall act upon the instructions of the Secured Party, without the further consent of such Debtor.

(iv) Electronic Chattel Paper and Transferable Records. If such Debtor at any time holds or acquires an interest in any electronic chattel paper or any "transferable record," as that term is defined in Section 201 of the federal Electronic Signatures in Global and National Commerce Act, or in §16 of the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, in each case arising or resulting from or related to the Collateral, such Debtor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, such Debtor shall take such action as the Secured Party may reasonably request to vest in the Secured Party control, under §9-105 of the Applicable UCC, of such electronic chattel paper or control under Section 201 of the federal Electronic Signatures in Global and National Commerce Act or, as the case may be, §16 of the Uniform Electronic Transactions Act, as so in effect in such jurisdiction, of such transferable record. The Secured Party agrees with such Debtor that the Secured Party will arrange, pursuant to procedures satisfactory to the Secured Party and so long as such procedures will not result in the Secured Party's loss of control, for such Debtor to make alterations to the electronic chattel paper or transferable record permitted under §9-105 of the Applicable UCC or, as the case may be, Section 201 of the federal Electronic Signatures in Global and National Commerce Act or §16 of the Uniform Electronic Transactions Act for a party in control to make without loss of control, unless a Default has occurred and is continuing or would occur after taking into account any action by such Debtor with respect to such electronic chattel paper or transferable record. After the occurrence of a Default, upon notice from the Secured Party, all payments made under or in respect of any such electronic chattel paper or transferable record shall be deposited into the Collateral Account.

(v) Letter-of-Credit Rights. If such Debtor is at any time a beneficiary under a letter of credit now or hereafter issued in favor of such Debtor arising or resulting from or related to the Collateral, such Debtor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, such Debtor shall, pursuant to an agreement in form and substance reasonably satisfactory to the Secured Party, either (A) arrange for the issuer and any confirmer of such letter of credit to consent to an assignment to the Secured Party of the proceeds of any drawing under the letter of credit or (B) arrange for the Secured Party to become the transferee beneficiary of the letter of credit, with such Debtor agreeing, in each case, that after the occurrence of a Default, upon notice from the Secured Party, the proceeds of any drawing under the letter of credit shall be deposited into the Collateral Account.

(vi) Commercial Tort Claims. If such Debtor shall at any time hold or acquire a commercial tort claim arising or resulting from or related to the Collateral, such Debtor shall promptly notify the Secured Party in a writing signed by such Debtor of the brief details thereof and, at the Secured Party's request and option, grant to the Secured Party in writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to the Secured Party. After the occurrence of a Default, upon notice from the

Secured Party, all proceeds of any such commercial tort claim will be deposited into the Collateral Account.

(vii) Investment Property. If such Debtor shall at any time hold or acquire any certificated securities, such Debtor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, such Debtor shall forthwith endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify. If any securities now or hereafter acquired by such Debtor are uncertificated and are issued to such Debtor or its nominee directly by the issuer thereof, such Debtor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (A) cause the issuer to agree to comply with instructions from the Secured Party as to such securities, without further consent of such Debtor or such nominee, or (B) arrange for the Secured Party to become the registered owner of the securities. If any securities, whether certificated or uncertificated, or other investment property now or hereafter acquired by such Debtor are held by such Debtor or its nominee through a securities intermediary or commodity intermediary, the Debtor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (x) cause such securities intermediary or (as the case may be) commodity intermediary to agree to comply with entitlement orders or other instructions from the Secured Party to such securities intermediary as to such securities or other investment property, or (as the case may be) to apply any value distributed on account of any commodity contract as directed by the Secured Party to such commodity intermediary, in each case without further consent of such Debtor or such nominee, or (y) in the case of financial assets or other investment property held through a securities intermediary, arrange for the Secured Party to become the entitlement holder with respect to such investment property, with such Debtor being permitted, only with the consent of the Secured Party, to exercise rights to withdraw or otherwise deal with such investment property. The provisions of this paragraph shall not apply to any financial assets credited to a securities account for which the Secured Party is the securities intermediary. After the occurrence of a Default, upon notice from the Secured Party, all dividends or other cash or property distributions in respect of any certificated or uncertificated securities shall be deposited into the Cash Collateral Account.

(b) The Debtors further agree to take any other action reasonably requested by the Secured Party to insure the attachment, perfection and first priority of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Collateral including, without limitation, (i) executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Applicable UCC, to the extent, if any, that the Debtors' signature thereon is required therefor, (ii) causing the Secured Party's name to be noted as secured party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (iii) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (iv) obtaining governmental and other third party consents and approvals, including without limitation any consent of any licensor, lessor or other person obligated on Collateral, (v) obtaining waivers from mortgagees and landlords in form and substance satisfactory to the Secured Party, (vi) taking all actions required by any earlier versions of the Uniform Commercial Code or by other law, as applicable in any relevant Uniform Commercial Code jurisdiction, or by other law as applicable in any foreign jurisdiction, and (vii) taking any other actions which are necessary or, in the reasonable judgment of the Secured Party, desirable to perfect or continue

the perfection and priority of the Secured Party's security interests in the Collateral, to protect the Collateral against the rights, claims or interests of any Person other than the Secured Party or to effect the purposes of this Agreement, and the Debtors will pay all reasonable costs and expenses incurred in connection with any of the foregoing.

(c) The Debtors will maintain the Collateral in good working order and condition, reasonable wear and tear and obsolescence excepted, and in compliance with all requirements of the Surface Transportation Board of the U.S. Department of Transportation, the U.S. Department of Transportation and all standards required or recommended by the Association of American Railroads applicable to equipment eligible for interchange service. The Debtors will defend the Collateral against all claims and demands of all Persons other than the Secured Party at any time claiming the same or any interest therein.

(d) The Debtors will not in any way hypothecate or create or permit to exist any Lien on or other interest in the Collateral except for Permitted Liens, or sell, transfer, assign, exchange or otherwise dispose of the Collateral except sales of Inventory in the ordinary course of business or to the extent otherwise permitted under the Credit Agreement. If the proceeds of any such sale are notes, instruments or chattel paper, such proceeds shall be promptly delivered to the Secured Party to be held as part of the Collateral. If the Collateral, or any part thereof, is sold, transferred, assigned, exchanged or otherwise disposed of in violation of these provisions, the lien and security interest of the Secured Party shall continue in such Collateral or part thereof notwithstanding such sale, transfer, assignment, exchange or other disposition, and the Debtors will hold the proceeds thereof in a separate account for the Secured Party's benefit and, at the Secured Party's request, transfer such proceeds to the Secured Party in kind.

(e) The Debtors will not enter into, modify or amend any existing or future contracts or agreements relating to the sale or disposition of the Collateral or any part thereof except those made in the ordinary course of business. Upon request from the Secured Party, the Debtors will provide the Secured Party with copies of all existing and hereafter created contracts and agreements and of all amendments and modifications thereto, and a status report as to its existing contracts.

(f) No Debtor will grant any extension of the time of payment of any of its Accounts, or compromise or settle the same for less than the full amount thereof, release, in whole or in part, any Person liable for the payment thereof, or allow any credit or discount whatsoever thereon, except extensions, credits, discounts, compromises, settlements or releases granted or made in the ordinary course of business and consistent with prudent business practice.

(g) Except to the extent otherwise permitted in the Credit Agreement, the Debtors will pay and discharge all taxes, assessments and governmental charges or levies against the Collateral prior to delinquency thereof and will keep the Collateral free of all unpaid charges whatsoever where the failure to make any of such payments could reasonably be expected to have a Material Adverse Effect.

(h) Each Debtor will (i) keep accurate and correct records of its Inventory, itemizing and describing the kind, type and quantity of Inventory, such Debtor's cost therefor and (where applicable) the current price list for such Inventory, and (ii) upon the Secured Party's request, deliver to the Secured Party records and schedules which show the status, condition and location of all its Inventory and Equipment. The Secured Party shall have the right to review and verify such records, schedules, notices and financial information, and such Debtor will reimburse the Secured Party for all costs incurred thereby.

(i) The Debtors will cause the Collateral to be kept insured at their own expense under one or more policies with such companies, in such amounts, and against such risks and liabilities as is ordinarily maintained by companies engaged in the same or similar businesses and similarly situated and as are satisfactory to the Secured Party in its reasonable discretion. Such policies shall include

standard lender loss payable endorsements or such other mortgagee indemnity clauses in favor of the Secured Party as the Secured Party shall direct, and shall name the Secured Party as an additional insured. No such policy shall be subject to reduction or cancellation without thirty (30) days' prior written notice to the Secured Party and an original or certified copy of such policy shall be delivered to the Secured Party. If the Debtors fail to maintain and keep in full force and effect any of such insurance, or fail to pay the premiums when due, the Secured Party may, but shall not be obligated to, do so for the account of the Debtors and add the cost to the Secured Obligations. The Debtors assign and set over to the Secured Party all monies which may become payable on account of any insurance on the Collateral and direct the insurers to pay the Secured Party any amount so due. The Secured Party is irrevocably appointed attorney-in-fact of each Debtor to endorse any draft or check which may be payable to the Debtors in order to collect the proceeds of such insurance.

(j) If any Accounts arise out of a contract with a governmental authority subject to the Federal Assignment of Claims Act or like federal, state or local statute or rule in respect of such Collateral, the Debtors will promptly notify the Secured Party thereof in writing and execute any instruments and take any steps required by the Secured Party in order that all monies due and to become due under such contracts shall be assigned to the Secured Party and notice thereof given to governmental authority, including, if applicable, the U.S. Government under the Federal Assignment of Claims Act.

(k) The Debtors will permit the Secured Party during normal business hours and after not less than one (1) Business Day's prior notice to enter into and upon any premises where any of the Collateral or records with respect thereto are located for the purpose of inspecting the same, making copies of records, observing the use of any part of the Collateral, or otherwise protecting its security interest in the Collateral.

(l) The Secured Party shall have the right at any time to make any payments and do any other acts the Secured Party may deem necessary to protect its security interest in the Collateral, including, without limitation, the right to pay, purchase, contest or compromise any Lien which is prior to or superior to the liens and security interests granted hereunder, and appear in and defend any action or proceeding purporting to affect its security interest in the Collateral, and in exercising any such powers or authority, the right to pay all reasonable costs and expenses incurred in connection therewith, including reasonable attorneys' fees. The Debtors agree to reimburse the Secured Party for all such payments made and expenses incurred, which amounts shall be secured under this Agreement, and agrees it shall be bound by any payment made or act taken by the Secured Party hereunder. The Secured Party shall have no obligation to make any of the foregoing payments or perform any of the foregoing acts.

(m) The Secured Party may at any time after and during the continuance of a Default, at its option, transfer to itself or any nominee any securities constituting Collateral, receive any income thereon and hold such income as additional Collateral or apply it to the Secured Obligations. Whether or not any Secured Obligations are due, the Secured Party may following and during the continuance of a Default, demand, sue for, collect, or make any settlement or compromise which it deems desirable with respect to the Collateral. Regardless of the adequacy of Collateral or any other security for the Secured Obligations, any deposits or other sums at any time credited by or due from the Secured Party to the Debtors may at any time be applied to or set off against any of the Secured Obligations then due and owing.

(n) The Debtors will give the Secured Party notice of its acquisition of any motor vehicle, tractor, trailer, railcar or other Collateral covered by a vehicle certificate of title or other title document, and if requested to do so by the Secured Party, promptly deliver to the Secured Party the original of any such motor vehicle title or other title document and do all things necessary to have the Lien of the Secured Party noted thereon or with the appropriate state or federal office and take such other actions and execute and deliver such documents (including, without limitation, motor vehicle financing statements) reasonably required by the Secured Party to perfect its Lien on such Collateral as a first

priority Lien, including appropriate filings with the Surface Transportation Board of the U.S. Department of Transportation. The Debtors will not, without the Secured Party's prior written consent, alter or remove any identifying symbol or number on any motor vehicles, tractors, trailers or other Collateral covered by a motor vehicle title or other title document.

(o) Upon request of the Secured Party, the Debtors shall deliver to the Secured Party all certificates of titles or other title documents for all motor vehicles, tractors, trailers, railcars and other rolling stock owned by the Debtors and take all such actions requested by the Secured Party to perfect the Secured Party's liens and security interests in all of such motor vehicles, tractors, trailers, railcars and other rolling stock, including appropriate filings with the Surface Transportation Board of the U.S. Department of Transportation. The Debtors will cause all motor vehicles, tractors, trailers, railcars and other rolling stock owned by the Debtors to be kept numbered with its identifying numbers and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Secured Party's interest in the Collateral and its rights under this Agreement. The Debtors will not place any such unit in operation or exercise any control or dominion over the same until such markings have been made thereon and will replace promptly any such markings which may be removed, defaced or destroyed. The Debtors will not change the number of any unit of the Collateral except in accordance with a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Secured Party by the Debtors and filed, recorded and deposited by the Debtors in all public offices where this Agreement shall have been filed, recorded and deposited. Except as provided in the this paragraph, the Debtors will not allow the name of any Person to be placed on any unit of the Collateral as a designation that might be interpreted as a claim of ownership; provided, however, that the Debtors may cause the Collateral to be lettered with the names or initials or other insignia of the Debtors.

Section 5. Collections Account; Lockbox; Application of Deposits. The Debtors covenant and agree to perform each of the covenants set forth below in this Section 5 except to the extent otherwise specifically consented to in writing by the Secured Party.

(a) The Debtors will collect their Accounts in the ordinary course of business.

(b) Subject to the provisions of Section 5(c), the Debtors will open and maintain with the Secured Party one or more lockbox in the name of the Debtors (the "Lockbox"). Only the Secured Party shall have access to the Lockbox at all times, and the Debtors shall take all action necessary to grant the Secured Party such sole access. At no time shall the Debtors remove any item from the Lockbox without the Secured Party's prior written consent. After the Lockbox is operational, (i) the Debtors shall immediately notify their customers and Account Debtors to forward all Collections of every kind due the Debtors to the Lockbox (such notice to be in such form and substance as the Secured Party may require from time to time), (ii) if the Debtors receive directly any Collections or Remittances, the Debtors shall receive such Collections and Remittances in trust and as fiduciary for the Secured Party and shall immediately deposit any such Collections or Remittances, in the identical form in which such Collection or Remittance was made (except for any necessary endorsements), whether by cash or check, into an account opened and maintained with the Secured Party (the "Blocked Account"), and pending such deposit, the Debtors agree they will not commingle any such Collection or Remittance with any of their other funds or property, but will hold it separate and apart therefrom in trust and as fiduciary for the Secured Party until deposit is made into the Blocked Account, and (iii) all Collections sent directly to the Lockbox shall thereafter be deposited into the Blocked Account. If the Debtors neglect or refuse to notify any of their customers or Account Debtors to pay any Collections to the Lockbox, the Secured Party shall be entitled to make such notification. The Debtors grant to the Secured Party an irrevocable power of attorney, coupled with an interest, to take in the Debtors' names all actions necessary to grant the Secured Party access to the Lockbox, to contact Account Debtors to pay any Collections to the Lockbox, and to endorse each Collection or Remittance delivered to the Lockbox for deposit into the Blocked Account.

(c) In lieu of maintaining the Lockbox operational at all times, the Debtors may use the Secured Party's First Desktop Banker product to deposit all Collections and Remittances on a daily basis into the Blocked Account, and pending such deposit, the Debtors agree they will not commingle any Collections or Remittances they may receive with any of their other funds or property, but will hold the same separate and apart therefrom in trust and as fiduciary for the Secured Party until deposit is made into the Blocked Account.

(d) The Secured Party shall have sole dominion and control over all Collections, Remittances and other items deposited in the Blocked Account, and such Collections, Remittances and other items may be withdrawn only by the Secured Party, it being the intention of the parties hereto that the Debtors shall have no control over or withdrawal rights in respect of, or access to, the Blocked Account. To the extent funds in the Lockbox or the Blocked Account are deemed to be the property of the Debtors, the Debtors grant to the Secured Party a security interest in all funds held in the Lockbox or the Blocked Account, as security for the Secured Obligations. The Blocked Account shall not be subject to any deduction, set-off, banker's lien or any other right in favor of any person or entity other than the Secured Party.

(e) So long as no Default has occurred, the Blocked Account will be cleared by the Secured Party daily as to funds in excess of the Float Reserve, and such funds will be applied (i) to the principal balance of and accrued interest on the Revolving Credit Loans, (ii) at the Secured Party's election, to any other Secured Obligations, including the principal balance of and accrued interest on any other outstanding Loans, and (iii) any surplus shall be credited to the Debtors' operating account maintained with the Secured Party. Upon the occurrence of a Default, the Secured Party may apply such collected funds to the Secured Obligations in such order as it may elect. The Secured Party shall have the continuing and exclusive right to apply and reverse and reapply any and all such proceeds and payments to any portion of the Secured Obligations. Upon the occurrence of a Default, in the sole discretion of the Secured Party deposits to the Blocked Account may be credited against the Secured Obligations in such order as the Secured Party may choose in its sole discretion or held in the Blocked Account subject to the liens and security interests in favor of the Secured Party.

(f) For the purpose of determining the Revolving Credit Availability under the Credit Agreement, all such Collections and Remittances shall be credited on the Business Day on which the Secured Party receives notice of such deposit into the Blocked Account. From time to time, the Secured Party may adopt such regulations and procedures as it may deem reasonable and appropriate with respect to the operation of the Blocked Account, the Blocked Account and the services to be provided by the Secured Party under this Agreement not inconsistent with the terms of this Agreement.

(g) All reasonable costs of collection of Accounts, including out-of-pocket expenses, administrative and record-keeping costs, reasonable attorneys' fees, and all service charges and costs related to the establishment and maintenance of the Blocked Accounts and the Blocked Account, shall be the sole responsibility of the Debtors, whether the same are incurred by the Secured Party or the Debtors, and the Secured Party, in its sole discretion, may charge the same against the Debtors and/or any account maintained by the Debtors with the Secured Party and the same shall be deemed part of the Secured Obligations. The Debtors agree to indemnify and hold the Secured Party harmless from and against any loss or damage with respect to any Collection or Remittance deposited in the Blocked Account which is dishonored or returned for any reason. If any Collection or Remittance deposited in the Blocked Account is dishonored or returned unpaid for any reason, the Secured Party, in its sole discretion, may charge the amount of such dishonored or returned Collection or Remittance directly against the Debtors and/or any accounts maintained by the Debtors with the Secured Party and such amount shall be deemed part of the Secured Obligations.

Section 6. Power of Attorney.

(a) Each Debtor irrevocably constitutes and appoints the Secured Party and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Debtor or in the Secured Party's own name, to take any and all of the following actions, without notice to or assent by such Debtor:

(i) at any time after the occurrence and during the continuance of a Default, to demand, sue for, collect, or receive in the name of such Debtor or in its own name, any money or property at any time payable or receivable on account of or in exchange for any of the Collateral and, in connection therewith, endorse checks, notes, drafts, acceptances, money orders, documents of title, or any other instruments for the payment of money under the Collateral or any policy of insurance;

(ii) at any time after the occurrence and during the continuance of a Default, to pay or discharge taxes, Liens, security interests, or other encumbrances levied or placed on or threatened against the Collateral.

(iii) to send requests for verification to Account Debtors and other obligors;

(iv) at any time after the occurrence and during the continuance of a Default, to notify post office authorities to change the address for delivery of mail of such Debtor to an address designated by the Secured Party and to receive, open and dispose of mail addressed to such Debtor. Upon request of such Debtor, the Secured Party shall make any of such mail available to such Debtor to be copied;

(v) at any time after the occurrence and during the continuance of a Default: (A) to direct Account Debtors and any other parties liable for any payment relating to or in respect of any of the Collateral to make payment of any and all monies due and to become due thereunder directly to the Secured Party or as the Secured Party shall direct; (B) to receive payment of and receipt for any and all monies, claims, and other amounts due and to become due at any time in respect of or arising out of any Collateral; (C) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against such Debtor, assignments, proxies, stock powers, verifications and notices in connection with an account and other documents relating to the Collateral; (D) to commence and prosecute any suit, action, or proceeding at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (E) to defend any suit, action, or proceeding brought against such Debtor with respect to any Collateral; (F) to settle, compromise or adjust any suit, action, or proceeding described above and, in connection therewith, to give such discharges or releases as the Secured Party may deem reasonably appropriate; (G) to exchange any of the Collateral for other property upon any merger, consolidation, reorganization, recapitalization, or other readjustment of the issue thereof and, in connection therewith, deposit any of the Collateral with any committee, depository, transfer agent, registrar, or other designated agency upon such terms as the Secured Party may determine; (H) to add or release any guarantor, endorser, surety, or other party to any of the Collateral; (I) to renew, extend, or otherwise change the terms and conditions of any of the Collateral; (J) to insure, and to make, settle, compromise, or adjust claims under any insurance policy covering any of the Collateral; and (K) to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral in such manner as is consistent with the Applicable UCC and as fully and completely as though the Secured Party were the absolute owner thereof for all purposes.

and to do, at the Secured Party's option and the Debtors' expense, at any time, or from time to time, all acts and things which the Secured Party deems necessary to protect, preserve, or realize upon the Collateral and the Secured Party's security interest therein in order to effect the intent of this Agreement, all as fully and effectively as such Debtor might do, including, without limitation, the execution, delivery and recording, in connection with any sale or other disposition of any Collateral, of endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral;

(vi) at any time after the occurrence of a Default and during the continuance of a Default, to execute any and all other documents and instruments and take such other actions that the Secured Party determines to be necessary or useful to accomplish the purposes of this Agreement; and

(vii) to the extent the authorization given in Section 2(b) is not sufficient, to file such financing statements, with or without such Debtor's signature, or a photocopy of this Agreement in substitution for a financing statement, as the Secured Party may deem appropriate and to execute in such Debtor's name such financing statements and amendments thereto and continuation statements which may require such Debtor's signature.

Section 7. Defaults. The occurrence of any one or more of the following events or conditions shall constitute a default under this Agreement (a "Default"):

(i) The occurrence of an Event of Default under the Credit Agreement.

(ii) The failure of the Debtors to pay any amount or perform any obligation or covenant required to be performed by it in accordance with the terms and conditions of this Agreement after the expiration of any applicable grace period.

Section 8. Remedies. (a) Upon the occurrence and during the continuance of a Default, the Secured Party may, at its option, without notice to or demand upon the Debtors, do any one or more of the following:

(i) Declare all of the Secured Obligations immediately due and payable.

(ii) Exercise any or all of the rights and remedies provided for by the Applicable UCC of the state or states having jurisdiction with respect to all or any portion of the Collateral from time to time, specifically including, without limitation, the right to take possession of the Collateral, and to recover reasonable attorneys' fees and other expenses incurred by the Secured Party in the enforcement of this Agreement or in connection with the Debtors' redemption of the Collateral.

(iii) Require the Debtors to assemble the Collateral or any part thereof and make it available at one or more places as the Secured Party may designate, and to deliver possession of the Collateral or any part thereof to the Secured Party, who shall have full right to enter upon any or all of the Debtors' premises and property to exercise the Secured Party's rights hereunder.

(iv) Use, manage, operate and control the Collateral and the Debtors' business and property to preserve the Collateral or its value, including, without limitation, the right to take possession of all of the Debtors' premises and property, to exclude the Debtors and any third parties, whether or not claiming under the Debtors, from such premises and property, to make repairs, replacements, alterations, additions and

improvements to the Collateral and to dispose of all or any portion of the Collateral in the ordinary course of the Debtors' businesses.

(v) Use, in connection with any assembly or disposal of the Collateral, any Trademark, Trade Secret, Copyright, Patent or technical knowledge or process used or utilized by the Debtors, and for the purpose thereof and/or the exercise of the Secured Party's rights under Section 8(a)(iv), each Debtor hereby grants to the Secured Party an irrevocable, nonexclusive license (exercisable without the payment of royalty or other compensation to any Debtor) to use, license or sublicense any Trademark, Trade Secret, Copyright, Patent or technical knowledge or process now owned or hereafter acquired by such Debtor, together with access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for compilation or printout thereof.

(vi) Enforce one or more remedies hereunder, successively or concurrently, and such action shall not operate to estop or prevent the Secured Party from pursuing any other or further remedy which it may have, and any repossession or retaking or sale of the Collateral pursuant to the terms hereof shall not operate to release the Debtors until full and final payment of any deficiency has been made in cash. The Debtors shall reimburse the Secured Party upon demand for, or the Secured Party may apply any proceeds of the Collateral to, the costs and expenses (including reasonable attorneys' fees, transfer taxes and any other charges) incurred by the Secured Party in connection with any sale, disposition or retention of any Collateral hereunder.

(vii) Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Secured Party shall give to the Debtors at least five (5) Business Days prior written notice of the time and place of any public sale of Collateral or of the time after which any private sale or any other intended disposition is to be made. The Debtors hereby acknowledge that five (5) Business Days prior written notice of such sale or sales shall be reasonable notice. Such notice may be mailed to the Debtors at the address set forth in this Agreement for delivery of notices. Further, in the event of any public sale hereunder, the Secured Party shall exhibit the Collateral for a reasonable period of time not later than the day before such sale is to take place, and, if practicable, shall exhibit the Collateral at the time and place of such sale; provided, however, that the Secured Party shall have no obligation to exhibit any part of the Collateral at or prior to the sale thereof, if, at the time of default, such Collateral is in the Debtors' possession or under its control, and if the Secured Party sends the Debtors a written demand for possession thereof under Section 8(a)(iii) and the Debtors fail to comply with such demand at least three (3) days prior to the date set for sale of such Collateral. In addition, the Debtors waive any and all rights that it may have to a judicial hearing in advance of the enforcement of any of the Secured Party's rights hereunder, including, without limitation, its right following a Default to take immediate possession of the Collateral and to exercise its rights with respect thereto.

(viii) Proceed by an action or actions at law or in equity to recover the Secured Obligations or to foreclose under this Agreement and sell the Collateral, or any portion thereof, pursuant to a judgment or decree of a court or courts of competent jurisdiction.

(ix) In the event the Secured Party recovers possession of all or any part of the Collateral pursuant to a writ of possession or other judicial process, whether prejudgment or otherwise, the Secured Party may thereafter retain, sell or otherwise dispose of such Collateral in accordance with this Agreement or the Applicable UCC, and following such retention, sale or other disposition, the Secured Party may voluntarily

dismiss without prejudice the judicial action in which such writ of possession or other judicial process was issued. The Debtors hereby consent to the voluntary dismissal by the Secured Party of such judicial action, and the Debtors further consent to the exoneration of any bond that the Secured Party filed in such action.

(b) To the extent that applicable Law imposes duties on the Secured Party to exercise remedies in a commercially reasonable manner, the Debtors acknowledge and agree that it is not commercially unreasonable for the Secured Party (i) to fail to incur expenses reasonably deemed significant by the Secured Party to prepare Collateral for disposition or otherwise to complete raw material or work in process into finished goods or other finished products for disposition, (ii) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (iii) to fail to exercise collection remedies against Account Debtors or other persons obligated on Collateral or to remove liens or encumbrances on or any adverse claims against Collateral, (iv) to exercise collection remedies against Account Debtors and other persons obligated on Collateral directly or through the use of collection agencies and other collection specialists, (v) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (vi) to contact other persons, whether or not in the same business as the Debtors, for expressions of interest in acquiring all or any portion of the Collateral, (vii) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the collateral is of a specialized nature, (viii) to dispose of Collateral by utilizing Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets, (ix) to dispose of assets in wholesale rather than retail markets, (j) to disclaim disposition warranties, (x) to purchase insurance or credit enhancements to insure the Secured Party against risks of loss, collection or disposition of Collateral or to provide to the Secured Party a guaranteed return from the collection or disposition of Collateral, or (xi) to the extent deemed appropriate by the Secured Party, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Secured Party in the collection or disposition of any of the Collateral. The Debtors acknowledge that the purpose of this Section 8(b) is to provide non-exhaustive indications of what actions or omissions by the Secured Party would not be commercially unreasonable in the Secured Party's exercise of remedies against the Collateral and that other actions or omissions by the Secured Party shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 8(b). Without limitation upon the foregoing, nothing contained in this Section 8(b) shall be construed to grant any rights to the Debtors or to impose any duties on the Secured Party that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section 8(b).

Section 9. Distribution of Collateral Proceeds. In the event that the Secured Party receives any monies in connection with the enforcement of the liens and security interests granted to the Secured Party in this Agreement or otherwise with respect to the realization upon any of the Collateral, such monies shall be applied as follows:

(i) First, to the payment of, or (as the case may be) the reimbursement of the Secured Party for or in respect of, all Reimbursable Costs and Expenses and losses which shall have been incurred or sustained by the Secured Party in connection with the collection of such monies by the Secured Party, for the exercise, protection or enforcement by the Secured Party of all or any of the rights, remedies, powers and privileges of the Secured Party under this Agreement or any of the other Loan Documents or in respect of the Collateral or in support of any provision of adequate indemnity to the Secured Party against any Taxes or liens which by law shall have, or may have, priority over the rights of the Secured Party to such monies;

(ii) Second, to the payment of all other Secured Obligations in such order or preference as the Secured Party may determine in its sole discretion; provided, however,

the Secured Party may in its sole discretion make proper allowance to take into account any Secured Obligations not then due and payable;

(iii) Third, upon payment and satisfaction in full of, or the making of provisions satisfactory to the Secured Party for payment in full of, all of the Secured Obligations, to the payment of any obligations required to be paid pursuant to the provisions of the Applicable UCC; and

(iii) Fourth, the excess, if any, shall be returned to the Debtors or to such other Persons as are entitled thereto under applicable Law.

Section 10. Miscellaneous

(a) **Marshalling.** The Secured Party shall not be required to marshal any present or future collateral security (including but not limited to this Agreement and the Collateral) for, or other assurances of payment of, the Secured Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of its rights hereunder and in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights, however existing or arising. To the extent that they lawfully may, the Debtors hereby agree that they will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Secured Party's rights under this Agreement or under any other instrument creating or evidencing any of the Secured Obligations or under which any of the Secured Obligations is outstanding or by which any of the Secured Obligations is secured or payment thereof is otherwise assured, and, to the extent that they lawfully may, the Debtors hereby irrevocably waive the benefits of all such laws.

(b) **Notices.** Any notice or consent required or permitted by this Agreement shall be in writing and shall be delivered in the manner and to the addresses specified in the Credit Agreement for delivery of notice. All notices shall be deemed effective at the times specified in the Credit Agreement based upon the manner of delivery.

(c) **Headings.** The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

(d) **Governing Law.** This Agreement, any claim arising from or relating to this Agreement, or any statement, course of conduct, act, omission, or event occurring in connection herewith (whether for breach of contract, tort or any other theory of liability) shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to its choice of law principles. The Debtors acknowledge that the agreement to be governed by the laws of the Commonwealth of Pennsylvania is not for the purpose of avoiding the law or public policy of any other jurisdiction, but rather is a negotiated term in this commercial transaction and is based upon a reasonable relation to the Commonwealth of Pennsylvania

(e) **Amendments.** This Agreement or any provision hereof may be changed, waived, or terminated only by a statement in writing signed by the party against which such change, waiver or termination is sought to be enforced.

(f) **No Waiver.** No delay in enforcing or failure to enforce any right under this Agreement shall constitute a waiver by the Secured Party of such right. No waiver by the Secured Party of any default hereunder shall be effective unless in writing, nor shall any waiver operate as a waiver of any other default or of the same default on a future occasion.

(g) TIME OF THE ESSENCE. TIME IS OF THE ESSENCE IN EACH PROVISION OF THIS AGREEMENT OF WHICH TIME IS AN ELEMENT.

(h) Assignment; Binding Agreement. All rights of the Secured Party hereunder shall inure to the benefit of its successors and assigns. The Debtors may not assign any of their interests or obligations under this Agreement without the prior written consent of the Secured Party. Any purported assignment inconsistent with this provision shall, at the option of the Secured Party, be null and void.

(i) Entire Agreement. This Agreement and the other Loan Documents are intended by the parties as a final expression of their agreement and is intended as a complete and exclusive statement of the terms and conditions thereof. Acceptance of or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement even though the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection.

(j) Expenses. The Debtors shall pay to the Secured Party on demand any and all expenses, including reasonable attorneys' fees and disbursements, incurred or paid by the Secured Party in protecting, preserving or enforcing the Secured Party's rights under or in respect of any of the Secured Obligations or any of the Collateral.

(k) Severability. If any provision of this Agreement should be found to be invalid or unenforceable, all of the other provisions shall nonetheless remain in full force and effect to the maximum extent permitted by law.

(l) Survival of Provisions. All representations, warranties and covenants of the Debtors contained herein shall survive the execution and delivery of this Agreement, and terminate only upon full and final payment and performance of the Secured Obligations.

(m) Set-off. The Secured Party shall have the right, at any time after the occurrence of a Default, to set off any indebtedness or obligation of the Debtors to the Secured Party against any indebtedness or obligation of the Secured Party to the Debtors, without notice to or demand upon the Debtors and whether or not any such indebtedness or obligations are liquidated or mature at the time of such offset. The Secured Party's right of offset hereunder shall be in addition to and not in limitation of any other rights or remedies which may exist in favor of the Secured Party.

(n) Authority of the Secured Party. The Secured Party shall have and be entitled to exercise all powers hereunder which are specifically delegated to the Secured Party by the terms hereof, together with such powers as are reasonably incident thereto. The Secured Party may perform any of its duties hereunder or in connection with the Collateral by or through agents or employees and shall be entitled to retain counsel and to act in reliance upon the advice of counsel concerning all such matters. Neither the Secured Party nor any director, officer, employee, attorney or agent of the Secured Party shall be liable to the Debtors for any action taken or omitted to be taken by it or them hereunder, except for its or their own gross negligence, bad faith or criminal or willful misconduct; nor shall the Secured Party be responsible for the validity, effectiveness or sufficiency hereof or of any document or security furnished pursuant hereto. The Secured Party shall be entitled to rely on any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. The Debtors agree to indemnify and hold harmless the Secured Party and/or any such other person from and against any and all costs, expenses (including reasonable attorneys' fees), claims or liability incurred by the Secured Party or such other persons hereunder, unless such claim or liability shall be due to gross negligence, bad faith or criminal or willful misconduct on the part of the Secured Party or such other person.

(o) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall together constitute one and the same agreement. Delivery by telecopier of an executed counterpart of a signature page to this Agreement or any notice, communication, agreement, certificate, document or other instrument in connection with this Agreement and the other Loan Documents shall be effective as delivery of an executed original counterpart thereof.

(p) Consent to Jurisdiction. Each Debtor and the Secured Party hereby consent and agree that the state courts, and to the extent permitted by applicable law, the federal courts, sitting in Allegheny County, Pennsylvania shall have exclusive jurisdiction to hear and determine any claims or disputes between the Debtors and the Secured Party pertaining to this Agreement or to any matter arising out of or relating to this Agreement; *provided*, that the Debtors and the Secured Party acknowledge that any appeals from those courts may have to be heard by a court located outside Allegheny County; *and provided, further*, nothing in this Agreement shall be deemed or operate to preclude the Secured Party from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral, or to enforce a judgment or other court order in favor of the Secured Party. **THE DEBTORS AND THE SECURED PARTY HEREBY WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT THEY MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS PARAGRAPH.** Each Debtor and the Secured Party waive personal service of any summons, complaint or other process, and agree that service of such summons, complaints and other process may be made by registered or certified mail addressed to such party at the address specified in Section 10.13 of the Credit Agreement for delivery of notice and that service so made shall be deemed completed upon the earlier of such party's actual receipt thereof or three (3) days after deposit in the United States mail, proper postage prepaid.

(q) Waiver of Jury Trial. THE DEBTORS AND THE SECURED PARTY HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OR ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (I) ARISING UNDER THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY OTHER DOCUMENT OR INSTRUMENT ATTACHED HERETO, REFERRED TO HEREIN OR DELIVERED IN CONNECTION HERewith, OR (II) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE DEBTORS WITH RESPECT TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR INSTRUMENT ATTACHED HERETO, REFERRED TO HEREIN OR DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND THE DEBTORS AND THE SECURED PARTY HEREBY AGREE AND CONSENT THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF DEBTORS AND THE SECURED PARTY HERETO TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

(r) Termination. This Agreement and the security interests created hereby shall terminate (except for any provisions hereof which survive such termination by their own terms) upon the full, final and irrevocable payment of all of the Secured Obligations and termination of any commitment by the Secured Party to make any further loans or advances to the Debtors or to issue any Letters of Credit.. If the Secured Party receives any payment or payments on account of the Secured Obligations which payment or payments or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver, or any other party under the Bankruptcy Code, 11 U.S.C. §101 *et seq.*, as amended, or any other state or federal law, common law or equitable doctrine, then to the extent of any sum not finally retained by the Secured Party, the Debtors' obligations to the Secured Party shall be reinstated and this Agreement, and any security therefor, shall

remain in full force and effect (or be reinstated) until payment shall have been made to the Secured Party, notwithstanding termination of this Agreement or the cancellation of any note, instrument or agreement evidencing the Secured Obligations, and such payment shall be due on demand by the Secured Party. If any proceeding seeking such repayment is pending or, in the Secured Party's sole judgment, threatened, this Agreement and any security therefor shall remain in full force and effect notwithstanding that the Debtors may not be obligated to the Secured Party. Upon termination of this Agreement and the security interests created hereby, the Secured Party shall execute and deliver to the Debtors such documents as the Debtors may reasonably request to evidence or otherwise effect such termination.

(s) Joint and Several Obligations. It is the intention of the Debtors and the Secured Party that all of the obligations of the Debtors under this Agreement shall be the joint and several obligations of each Debtor without preferences or distinction among them. Each of the Debtors, jointly and severally, hereby irrevocably and unconditionally accepts joint and several liability with each other Debtor, with respect to the payment and performance of all of the obligations of the Debtors under this Agreement.

(t) Sealed Document. This Agreement is intended as a document under seal.

*******SIGNATURES APPEAR ON THE FOLLOWING PAGE*******

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be executed by their duly authorized officers effective as of the day and year first above written.

DEBTORS:

WITNESS/ATTEST:

KASGRO RAIL CORP.

By: _____
Title: _____


WITNESS/ATTEST:

KASGRO LEASING LLC

By: _____
Title: _____

SECURED PARTY:

**FIRST NATIONAL BANK OF
PENNSYLVANIA**

By: 
Title: Sean M. Kraslow

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be executed by their duly authorized officers effective as of the day and year first above written.

DEBTORS:

WITNESS/ATTEST:

KASGRO RAIL CORP.

Scott McFall

By: Gregory J. Pelt
Title: TREASURER

WITNESS/ATTEST:

KASGRO LEASING LLC

Scott McFall

By: Gregory J. Pelt
Title: TREASURER

SECURED PARTY:

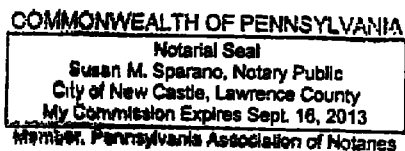
**FIRST NATIONAL BANK OF
PENNSYLVANIA**

By: _____
Title: _____

STATE OF Pennsylvania)
COUNTY OF Lawrence) ss:

BEFORE ME, the undersigned officer, a Notary Public in and for said County and State, personally appeared Jeffrey A. Plut who acknowledged himself to be the EXECUTIVE VICE President of **KASGRO RAIL CORP.**, a Pennsylvania corporation, and that he as such EXECUTIVE VICE President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of such corporation by himself as EXECUTIVE VICE President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal this 23rd day of November, 2010.

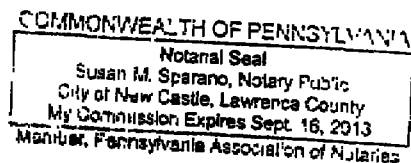


Susan M. Sparano
Notary Public

STATE OF Pennsylvania)
COUNTY OF Lawrence) ss:

BEFORE ME, the undersigned officer, a Notary Public in and for said County and State, personally appeared Jeffrey A. Plut who acknowledged himself to be the EXEC. VICE President of **KASGRO LEASING, LLC**, a Pennsylvania limited liability company, and that he as such EXECUTIVE VICE Pres., being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of such limited liability company by himself as EXECUTIVE VICE President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal this 23rd day of November, 2010.



Susan M. Sparano
Notary Public

**Kasgro Leasing LLC
Leasing Owned Cars - Valued Using Scrap Pricing
November 16, 2010**

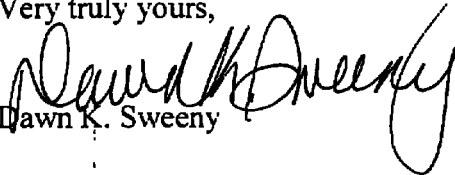
| Unit | Car Number | AAR Code | Mechanical Code | Length (feet) | Capacity (Tons) | Axles | Heavy Duty or General | Year Built | Rule 88 | Fixed or Per Diem Lease | Monthly Fixed Lease Rent | Lt Wt In Lbs | Scrap Value \$220 Gross Ton |
|------|------------|----------|-----------------|---------------|-----------------|-------|-----------------------|------------|---------|-------------------------|--------------------------|--------------|-----------------------------|
| | 101 | F433 | FD | 30 | 220 | 8 | Heavy Duty | 1976 | | Per Diem | | 132,700 | 13,033 |
| | 4480 | F433 | FD | 32 | 175 | 8 | Heavy Duty | 1991 | | Per Diem | | 175,000 | 17,188 |
| | 16450 | F436 | FD | 30 | 450 | 16 | Heavy Duty | 1970 | 2000 | Per Diem | | 380,000 | 37,321 |
| | 22800 | F432 | FD | 56 | 220 | 10 | Heavy Duty | 1961 | 2000 | S/Westinghouse (Trism) | 1,700 | 221,000 | 21,705 |
| | 32802 | F433 | FD | 32 | 220 | 8 | Heavy Duty | 2002 | NA | Per Diem | | 190,000 | 18,661 |
| | 32803 | F433 | FD | 32 | 220 | 8 | Heavy Duty | 2002 | NA | Per Diem | | 190,000 | 18,661 |
| | 45709 | F401 | FM | 46 | 195.5 | 8 | Heavy Duty | 1968 | 1999 | S/Westinghouse (Trism) | 1,700 | 115,000 | 11,295 |
| | 48018 | F432 | FD | 25 | 185 | 12 | Heavy Duty | 1968 | 2000 | Per Diem | | 192,700 | 18,928 |
| | 51100 | G310 | GTS | 58 | 100 | 4 | Gondola | 1970 | | FPT Cleveland | 295 | 71,000 | 6,973 |
| | 51101 | G310 | GTS | 58 | 100 | 4 | Gondola | 1970 | | FPT Cleveland | 295 | 71,000 | 6,973 |
| | 51102 | G310 | GTS | 58 | 100 | 4 | Gondola | 1970 | | FPT Cleveland | 295 | 71,000 | 6,973 |
| | 51103 | G310 | GTS | 58 | 100 | 4 | Gondola | 1970 | | FPT Cleveland | 295 | 71,000 | 6,973 |
| | 51104 | G310 | GTS | 58 | 100 | 4 | Gondola | 1970 | | FPT Cleveland | 295 | 71,000 | 6,973 |
| | 51105 | G310 | GTS | 58 | 100 | 4 | Gondola | 1970 | | FPT Cleveland | 295 | 71,000 | 6,973 |
| | 51106 | G310 | GTS | 58 | 100 | 4 | Gondola | 1970 | | FPT Cleveland | 295 | 71,000 | 6,973 |
| | 51107 | G310 | GTS | 58 | 100 | 4 | Gondola | 1970 | | FPT Cleveland | 295 | 71,000 | 6,973 |
| | 51108 | G310 | GTS | 58 | 100 | 4 | Gondola | 1970 | | FPT Cleveland | 295 | 71,000 | 6,973 |
| | 51109 | G310 | GTS | 58 | 100 | 4 | Gondola | 1970 | | FPT Cleveland | 295 | 71,000 | 6,973 |
| | 90002 | F433 | FD | 44.3 | 237.5 | 8 | Heavy Duty | 1980 | NA | Per Diem | | 154,800 | 15,204 |
| | 90021 | F433 | FM | 44.3 | 257.5 | 8 | Heavy Duty | 1978 | NA | Per Diem | | 114,200 | 11,216 |
| | 90022 | F433 | FM | 44.3 | 257.5 | 8 | Heavy Duty | 1978 | NA | Per Diem | | 114,100 | 11,206 |
| | 90023 | F433 | FM | 44.3 | 257.5 | 8 | Heavy Duty | 1978 | NA | Per Diem | | 114,400 | 11,238 |
| | 600451 | F401 | FM | 47.8 | 160 | 8 | Heavy Duty | 1971 | 2001 | Per Diem | | 114,300 | 11,226 |
| | 600452 | F401 | FM | 47.8 | 160 | 8 | Heavy Duty | 1971 | 2002 | Per Diem | | 103,300 | 10,146 |
| | 600470 | F401 | FM | 48 | 167.5 | 8 | Heavy Duty | 1974 | 2000 | Per Diem | | 103,300 | 10,146 |
| | 600471 | F401 | FM | 48 | 167.5 | 8 | Heavy Duty | 1974 | 2000 | S/Westinghouse (Trism) | 1,700 | 103,300 | 10,146 |
| | 600472 | F401 | FM | 48 | 167.5 | 8 | Heavy Duty | 1974 | 2000 | Per Diem | | 103,300 | 10,146 |
| | 600473 | F401 | FM | 48 | 167.5 | 8 | Heavy Duty | 1974 | 2000 | Per Diem | | 103,300 | 10,146 |
| | 600530 | F401 | FM | 44.3 | 130 | 8 | Heavy Duty | 1969 | 2000 | S/Westinghouse (Trism) | 1,700 | 100,400 | 9,861 |
| | 600531 | F401 | FM | 44.3 | 100 | 8 | Heavy Duty | 1969 | 2000 | S/Westinghouse (Trism) | 1,700 | 100,400 | 9,861 |
| | 600914 | F331 | FD | 22 | 97.5 | 4 | Heavy Duty | 1982 | 2000 | Per Diem | | 63,900 | 6,276 |
| | 70878 | F433 | FM | 70 | 230 | 8 | Heavy Duty | 5/23/2001 | | Per Diem | | 169,390 | 16,637 |
| | 70877 | F433 | FM | 70 | 230 | 8 | Heavy Duty | 5/26/2001 | | Per Diem | | 169,390 | 16,637 |
| | 70869 | F433 | FM | 70 | 230 | 8 | Heavy Duty | 9/26/2001 | | Per Diem | | 169,390 | 16,637 |
| | 370379 | F401 | FM | 48 | 370 | 12 | Heavy Duty | 12/10/2001 | | Per Diem | | 201,000 | 19, |

November 29, 2010

Surface Transportation Board:

I, the undersigned, as filer of the Security Agreement made effective as of November 23, 2010, by and among KASGRO RAIL CORP. AND KASGRO LEASING LLC and FIRST NATIONAL BANK OF PENNSYLVANIA, hereby certify that I have compared the copy with the original agreement and have found the attached to be a complete and identical copy with all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

Very truly yours,


Dawn K. Sweeny

